

STATE ECONOMIC IMPACTS OF NETL PENNSYLVANIA



NETL

NATIONAL ENERGY TECHNOLOGY LABORATORY

From mine safety to acid rain mitigation, the U.S. Department of Energy's National Energy Technology Laboratory (NETL) in Pittsburgh has a rich history of developing technologies that enable our nation to make better use of its fossil energy resources. Since 1910, NETL's Pennsylvania Laboratory has pioneered work on coal, oil, and natural gas technologies with a focus on resolving environmental issues. The Lab's successes have included developing workable technologies to address acid rain, reducing mercury emissions at power plants, and spearheading horizontal drilling technologies that helped usher in the shale gas boom. Through its research activities, science education programs, employment, and operational activities, NETL serves as an important economic catalyst for Pennsylvania.

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U.S. DEPARTMENT OF
ENERGY

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NETL conducted an economic analysis using a state-level input-output (IO) model to quantify the laboratory's economic impacts on Pennsylvania. The two tables below summarize NETL's impacts on Pennsylvania's economy in 2016. All dollar figures presented in the tables are in millions of dollars.

The first table includes employment and salaries of individuals employed in Pennsylvania at NETL as either federal employees or site support contractors (full-time equivalents), as well as NETL's spending on grants, R&D awards, contracts, cooperative agreements, and purchase orders, within Pennsylvania. The analysis revealed that NETL injected \$110 million (\$110M) directly into the state economy in 2016.

Summary of NETL expenditures and number of on-site employees (PA)

Impact Category	
Federal Employment and Site Support Contractor (full-time equivalent jobs)	519
Total Expenditures	\$110 M

The impact of NETL on Pennsylvania's economy is greater than the total of the lab's direct spending because money spent by NETL is spent again by the recipient employees and businesses. This economic "ripple effect" is measured in the IO model through a series of multipliers that provide estimates of the impact of each dollar of direct spending cycling through the state economy in the form of additional (indirect and induced) spending, personal income, and employment. It was found that NETL had a total estimated impact of \$199 million (\$199M) on Pennsylvania's economy in 2016 (see table below).

Total Economic Impact of NETL on the State of Pennsylvania, 2016

Impact Category	
Jobs (direct, indirect, and induced full-time equivalent jobs)	1,219
Total Economic Impact (direct, indirect, and induced)	\$199 M